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Bulletin

Title: Implementation of the new General Administrative Policy for Non-Assistance Cooperative Agreements

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Originating Office: Financial Management and Agreements Division

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This bulletin announces the release of the amended final rule, 7 CFR Part 550 “General Administrative Policy for Non-Assistance Cooperative Agreements”.

Purpose

This bulletin announces the release of the amended final rule, 7 CFR Part 550 “General Administrative Policy for Non-Assistance Cooperative Agreements,” published in the Federal Register, October 11, 2016. This policy, provides guidance on when to apply the regulation to new and existing non-assistance cooperative agreements (NACA), formally the Specific Cooperative Agreement (SCA).

Background

7 CFR Part 550, General Administrative Policy for Non-Assistance Cooperative Agreements was originally published in the Federal Register in 2008. The regulation established uniform guidelines within the Research, Education, and Economics (REE) mission area on the use, award, and administration of NACAs (formally SCAs) awarded under the authority of 7 U.S.C. 3318(b).

Subsequently, in 2013, the Office of Management and Budget published the final rule, 2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” to streamline the Governmentwide guidance and implement uniform regulations on the Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.

As a matter of good business practice, REE amended its General Administrative Policy, 7 CFR Part 550, to adopt 2 CFR Part 200, to reduce the administrative burden for non-Federal entities receiving Federal funds under NACAs.

Policy

The following policies are effective immediately:

1. All new NACAs awarded on or after October 11, 2016, will be governed by 7 CFR Part 550 (published on October 11, 2016).
2. All NACAs awarded before October 11, 2016, are governed by 7 CFR Part 550 (published on September 19, 2008), until an amendment is executed.

- When an amendment is executed on the NACA the following statement must be added to the comments field in AIMS which will print on the REE-451, Page 2.
 - “Effective with this amendment 7 CFR Part 550 (published on October 11, 2016) is expressly incorporated into this agreement.”
- 3. Both the October 11, 2016 and the September 19, 2008, versions of 7 CFR Part 550, are available on the AFM Partnership website.
<https://www.afm.ars.usda.gov/media/10621/agreement-provisions-rev102016.pdf>

Responsibilities

The Authorized Departmental Officer must ensure that all new and existing NACAs are in compliance with this policy.

/s/
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